

# BEFORE THE SUBCOMMITTEE ON POSTSECONDARY EDUCATION, TRAINING AND LIFELONG LEARNING COMMITTEE ON EDUCATION AND THE WORKFORCE AND THE SUBCOMMITTEE ON HUMAN RESOURCES COMMITTEE ON WAYS AND MEANS UNITED STATES HOUSE OF REPRESENTATIVES June 29, 2000

Chairman Johnson, Chairman McKeon, and Members of the Subcommittees:

Thank you for the opportunity to be here today to testify about the implementation of title I of the Workforce Investment Act and coordination between the Workforce Investment Act and Temporary Assistance to Needy Families, commonly referred to as TANF.

# Implementation of the Workforce Investment Act

The Workforce Investment Act (WIA), the first major reform of the nation's job training system in over 15 years, was signed into law by President Clinton in August 1998 and comes into full effect in just two days, when it replaces the Job Training Partnership Act. This is a very important time for the Department of Labor and the workforce development system.

The Workforce Investment Act has been described in a New York Times article as "one of the best, but most under-reported, bipartisan achievements of the Clinton era." The enactment of this legislation was the culmination of a successful bipartisan effort on the part of the Administration and Congress to design a revitalized system that provides workers with the information, advice, job search assistance, education, training, and support they need to get and keep good jobs, and that provides employers with skilled workers. This delivery system has been designed with the participation of employers, labor organizations, education and community groups, and veterans service organizations, which have a large stake in its success.

The successful implementation of the Workforce Investment Act has been my priority since I came to the Department of Labor. WIA and the One-Stop system it establishes present us with an unprecedented opportunity to bring together partners, programs and revenue streams. I believe it is the wave of the future in Federally- funded programs.

But implementing this vision is not easy. It is a huge, daunting task that has required us and our partners in the WIA system to examine how we do business and figure out the best ways to get these programs and systems to be responsive to the WIA legislation and vision and its focus on customers. We need to be able to provide quality services to all citizens with workforce needs through this

customer-driven one-stop system.

I am very proud that each of our implementation activities has been conducted in open consultation with our local, State and Federal partners, involving extensive meetings, consultations and town halls. One of our partners, the Interstate Conference of Employment Security Agencies, wrote to us, stating that "this has been an open, flexible, effective process that the State administrators have appreciated." Let me provide some specifics on our implementation activities.

The common thread throughout all of our implementation efforts over the past two years has been an emphasis on including our Federal, State and local partners, as well as other key stakeholder groups -- such as the employer community, organized labor, and the disability community -- in the discussions and deliberations in every phase of the implementation process.

Shortly after enactment, the Department published and widely circulated a "plain English" summary of the Act in order to raise awareness of the new reforms. The consultation process began in September 1998, with the publication of a Federal Register notice soliciting public comments on all aspects of implementation. That same month we established an interactive website (http:\\www.usworkforce.org) designed to provide up-to-date information on our efforts, as well as to collect feedback and comments from the public. In October 1998, we published in the Federal Register, a White Paper entitled "Implementing the Workforce Investment Act of 1998," which outlined our vision for the new workforce investment system and provided a basis for the development of the Interim Final Regulations.

Throughout the fall of 1998, we held a series of "Implementation Panels" with State and local practitioners. The purpose of these panels was to solicit input on whether we should issue regulations on various legislative provisions, and if regulations were needed, what language the regulations should contain. These panels were held at both the regional level and the national level.

In the fall of 1998, a total of 12 town hall meetings were held in 11 cities across the country. These meetings provided all interested individuals an opportunity to learn about the Act and the implementation process, as well as an opportunity to offer comments on specific issues of concern. Well over 1,200 individuals attended these town hall meetings, representing a variety of groups ranging from veterans' organizations to regional planning organizations. A second set of town hall meetings was held during the summer of 1999 to discuss comments received on the Interim Final Regulations and to provide information on the performance accountability system.

Over the past two years, we have also held regular briefings for the staff of various intergovernmental organizations, such as the National Governor's Association, the National League of Cities, the U.S. Conference of Mayors, the National Association of Counties, the National Conference of State Legislatures, and the Interstate Conference of Employment Security Agencies. The briefings have proven to be an effective way of both receiving input from, and providing information to, State and local partners. Similar meetings also have been held with representatives of the business and organized labor communities, and the disability community. We have also held regular briefings with the staff of the House and Senate authorizing committees to keep them apprised of our efforts and of specific issues as they arise.

Because of the prominent role given to business by the Workforce Investment Act, we have worked closely with the Business Coalition for Workforce Development. The Coalition includes the U.S. Chamber of Commerce, the Business Roundtable, the National Association of Manufacturers, the

National Alliance of Business, the National Association of Private Industry Councils, and several dozen other business organizations. With funding from the Department of Labor and members' own funding, the Coalition is carrying out an action plan to inform the business community about WIA, engage business in discussions with State and local elected officials to ensure that business customers' needs are met, and increase business leaderships' role in the development and governance of local workforce development systems that are market driven and results oriented. We have also worked closely with a coalition of labor organizations to promote effective WIA implementation.

In February of this year, the Department sponsored three "Voice of Experience Forums" in Los Angeles, Atlanta and Kansas City designed to spotlight best practices from State and local systems. Workshops were provided on such subjects as the development of an effective One-Stop Memorandum of Understanding. Additional training sessions will be presented as part of JETT\*CON, one of our major annual conferences that attracts thousands of practitioners, which will be held July 10-12 in Albuquerque, New Mexico.

# **WIA Regulations**

The Interim Final Regulations, covering most aspects of titles I, III and V of the Workforce Investment Act, were published in the <u>Federal Register</u> on April 15, 1999. We believe that the participatory manner in which these regulations were developed reflects the spirit of partnership and flexibility that is inherent in the Act. Through the mechanisms of public participation mentioned above, we were able to seek input from key stakeholders on proposed regulatory strategies. This process proved to be highly effective. In addition, each of the Federal agencies responsible for administering One-Stop partner programs provided input into the development of the regulations.

In order to train State and local staff on the new requirements, in early 1999, the Department held six two-day training sessions on the regulatory issues in five different cities around the country (Atlanta, Philadelphia, Chicago, Los Angeles and Dallas). Attendees could select from a variety of subject-specific workshops on topics such as administration, transition, governance and adult/dislocated worker services. Over 2,000 individuals attended these sessions, and the feedback from the sessions was very favorable.

The format, and the substance, of the Interim Final Rule reflects the Administration's commitment to regulatory reform, and to writing regulations that are user friendly, in plain English, and in a question and answer format to make them easier to use. In addition, I am proud to say that the WIA regulations are only half as long as the JTPA regulations they replace.

The Interim Final Regulations were open for a 90-day public comment period which closed in July of last year. Approximately 200 comments were received and analyzed by the Department. The Final Regulations are currently being reviewed by the Office of Management and Budget.

# State Five-Year Strategic Plans

All States submitted their 5-year strategic plans for title I of WIA and the Wagner-Peyser Act by early April of this year. By July 1, we expect that all States will have approved plans. However, "approved" does not necessarily mean that all States will have all of the WIA reform elements in place on July 1. The majority of States will have these reform elements in place by July 1. The remaining State plans will be approved on a transition basis, based on specific plans for implementing all key reform elements over the upcoming program year. Only States that have implemented all the reform

elements by December 31, 2000 will be eligible for performance incentive grants for program year 2000. We expect all States to be fully operational by July 1, 2001.

We realize that achieving true system reform is not easy and is an evolving process. We will see States and local communities continue to build and "fine-tune" their systems throughout the next year and beyond. Our Regional Administrators are committed to working closely with our partners to ensure they have all of the information and technical assistance they need to build quality systems.

### **Individual Training Accounts and Consumer Reports**

One of the key WIA reforms was to provide eligible individuals with Individual Training Accounts (ITAs) to obtain training at qualified institutions. Through ITAs, these individuals are empowered to make informed choices and are presented with information and guidance on the performance of education and training providers, through a system of consumer reports available at all One-Stops. They also would have access to a nationwide labor market information system, the other expert advice, guidance, and support available through the One-Stop system, and the activities of the participating partners. We know that many States will not fully implement Individual Training Accounts or consumer reports by July 1, 2000. However, we do expect all States will have consumer reports available through the One-Stop system by July 1, 2001 and that ITA systems will be fully implemented in each local workforce area in all States by that time.

# **One-Stop Operating System**

We expect that technology investments by the Department of Labor will produce a complete first edition model of a management information and case management system referred to as the "One-Stop Operating System" in July. This is a fully functional system that States can opt to use. It is designed to meet the core business needs common to all States as they implement WIA. The system supports both customer self-service and mediated case-management services designed around the principles of universality, customer choice, service integration, and performance-driven outcomes. In addition, it has features designed to operationalize new functions required by WIA such as identification of eligible training and service providers and maintenance of performance information on those providers. The system was designed with selected State partners so it can interface and exchange data with a broad range of State and Federal systems. A few States have approached us about expanding the capacity of the Operating System to accommodate Vocational Rehabilitation requirements, including ensuring the confidentiality of sensitive personal information. We are working with Vocational Rehabilitation to see if we can accomplish this in the near future.

## Workforce Excellence

We are committed to excellence in building the workforce investment system and thus, we are putting in place the means to implement the Baldrige continuous improvement model. A 35-member Workforce Excellence Board will lead this effort. The Board is a partnership, and the Chair, John Lawrence, Vice President of Corporate Quality for the Eastman Kodak Company, represents business. A third of the members are from the private sector - from for-profit and non-profit organizations, including schools, community-based organizations, and labor organizations. Other members represent the local, State, and Federal levels of the workforce investment system. The Departments of Labor, Education, and Health and Human Services are represented to support the Board's work to help implement the seamless integration of services that is to be provided through the One-Stop system. The vision is for the Workforce Excellence Board to help the workforce investment

system better respond to the needs of employers and job seekers in the rapidly changing world economy.

Another facet of excellence is knowledge and recognition by the public of the high quality services that are available through our workforce investment system. This customer awareness of the system - rather than individual programs - is important to the system's success. Last July Secretary Herman announced that the system will have a brand name. It is America's Workforce Network, and will be used beginning July 1 throughout the Employment and Training Administration and will adorn every letter that leaves the agency. It will be part of every grant agreement and contract that we execute. It will include the establishment of a toll-free number through which any individual will be able to access information related to services available through the workforce investment system. This "branding" will let our customers know how and where to access easily the information and services for which you have provided funding. We will consult with our partners and stakeholders into the fall about the development of guidelines for "branding." We want to allow States and localities to develop their own customized identity while maintaining customer awareness.

# **Promising Approaches Used by One-Stop Centers**

One of the key roles our agency will be playing in WIA implementation over the next few years will be to disseminate promising practices being utilized by States and local communities when establishing and operating their One-Stop systems. One way we will be collecting this information is through a research project designed to identify, document and widely disseminate success stories and best practices of One-Stop systems that are operating under WIA. We will also continue to share information through "Voice of Experience Forums" across the country which provide States and local communities an opportunity to learn from their peers. In addition, Social Policy Research Associates (SPR) has developed a partners training curriculum which provides helpful advice, tools and techniques for creating and cementing partnerships that work for the customers of the One-Stop system. For example, one of the modules in the curriculum helps participants review possible management structures for their One-Stop center and explore problem-solving techniques and decision-making processes that can be used to manage the delivery of One-Stop services on a day-to-day basis.

While this formal study will provide us with information next year, we already know of some promising practices that lead to effective One-Stops. A few years ago, we funded SPR to evaluate State and local One-Stop systems in the first nine States that received One-Stop implementation grants (prior to the enactment of WIA). SPR's final report listed several factors that have had a positive influence on the implementation of One-Stop systems. Some of these factors that appear to have facilitated the development of effective One-Stops include the following:

- A strong history of collaboration among local workforce development programs prior to the One-Stop initiative;
- A State One-Stop design that provides clear guidelines for local One-Stop systems but also allows local One-Stop partners substantial discretion to tailor One-Stop systems to local needs;
- The involvement of direct service staff from participating agencies in the planning of shared facilities and consolidated services;
- Formal planning linkages between the One-Stop system and the education and welfare systems at both the State and local level; and
- Careful attention to the capacity building needs of One-Stop managers and local staff to help prepare them to deliver integrated customer services.

### **WIA-TANF** Coordination

### Welfare-to-Work Program

Through the WtW program, Congress in 1997 authorized the U.S. Department of Labor to provide \$3 billion to States, tribes, and local workforce development systems and community-based groups to assist the hardest-to-employ welfare recipients and noncustodial parents of children on welfare gain employment and move toward economic self-sufficiency. WtW complements TANF by focusing on the most difficult to employ subset of the larger welfare population, and targeting funds directly to communities with the greatest need. As a required partner in the One-Stop system established under the Workforce Investment Act, the WtW program serves as the strongest link between TANF and the workforce investment system. While WtW and the One-Stop service delivery system are both overseen by business-led Workforce Investment Boards, TANF is not. Yet TANF and Welfare-to-Work are inextricably linked by their shared goal of helping families move successfully from welfare into the workforce. Welfare-to-Work provides particular opportunities for the workforce system and other community-based groups to focus on long-term welfare recipients facing the greatest challenges to employment, as well as to provide employment to individuals who have exhausted State or Federal time limits on welfare assistance and non-custodial parents (mainly fathers).

The Welfare-to-Work program is particularly important because even though welfare caseloads are at their lowest level in over 30 years, the individuals remaining on the welfare rolls face very difficult challenges, including long-term welfare receipt, poor work histories, low skills, or drug or alcohol problems. Getting them a job is only the beginning; we also must help them remain employed and move up the ladder. Welfare-to-Work funds grants to States and local communities for job creation, job placement and job retention efforts such as wage subsidies and other critical post-employment support services. The Administration worked closely with Congress to enact amendments to Welfare-to-Work late last year that allow grantees to serve more effectively both long-term welfare recipients and non-custodial parents of low-income children (mostly fathers), and to streamline reporting requirements. The amendments allowed Welfare-to-Work competitive grants and tribal grants to implement simplified eligibility criteria on January 1, 2000. A survey we conducted of competitive grantees indicated that there have been some dramatic increases in enrollments and expenditures since the new criteria became effective. Formula grantees are authorized to implement these changes in October.

WtW is a key component of both the overall welfare reform effort and the broader workforce investment system. The linkage between WtW and the workforce investment system, with that system's information, services, and connections to employers, significantly enhances the opportunities for hard-to-employ recipients and noncustodial parents to find and keep jobs. It should be noted that the job training system, under title II-A of the Job Training Partnership Act, has a long history of training and placing a substantial number of welfare recipients into jobs, and that experience contributes to the effective delivery of services under WtW. Welfare-to-Work is serving as a powerful catalyst to create and strengthen partnerships among the welfare and workforce systems, as well as with other important partners that help low-income families such as child support, housing, and transportation. To build on these partnerships and allow time to fully implement the recent amendments, the Administration has proposed providing current grantees two additional years to spend their Welfare-to-Work funds. The Administration also has proposed the Fathers Work/Families Win Initiative, that would build on and reinforce partnerships between the welfare and workforce systems and help low-income fathers and working families increase their skills and get the work

supports they need by connecting them to the one-stop system.

### State Unified Plans

One of the most innovative reforms introduced by WIA is the State Unified Plan, which creates a new opportunity to maximize joint planning and coordination among programs and activities. States have the option of submitting a single plan for up to 16 Federal education, training, and related programs. In January of this year, the Departments of Labor, Education, Health and Human Services, Housing and Urban Development, and Agriculture issued Unified Planning Guidance designed to enhance the quality of the unified planning process and make it less burdensome for States. The Federal Partners have attempted to reduce the burden by eliminating duplicative requirements and finding common elements among the planning guidance for each of the programs and activities included in section 501 of WIA - which includes the programs authorized under title I of WIA, WtW and TANF. The States may use this guidance as an alternative to the individual plan guidance developed by Federal agencies for each of the Federal programs that may be included in a Unified Plan. We believe that by utilizing a Unified Planning approach to plan development, States can improve customer service, increase coordination at the local level, and improve their use of State and Federal resources leading to greater effectiveness and efficiency.

A total of twenty-two States have submitted Unified Plans. Four of those Unified Plans included TANF (Arkansas, Oregon, Maryland and Alaska). We encourage all States to utilize a unified approach to planning as they revisit their State Plans.

# TANF Participation in One-Stops

Our review of WIA State Plans shows that six States have included TANF as a required partner in the One-Stop system for all local areas in the State. As you have heard from the General Accounting Office witness today, the involvement of TANF as a voluntary partner in WIA is much greater than this. In many States, TANF is an active participant in One-Stop centers, and often is a key contributor of funding for the operation of the One-Stop centers. Since the State TANF agency typically handles State and Federal child care funding as well, access to child care services is also available at one-stop centers that provide TANF services. TANF agencies often provide other important supports for working families such as transportation, food stamps, and health care (Medicaid/SCHIP)

The Workforce Investment Act provides Governors and chief elected officials sufficient authority to build on existing reforms in order to implement innovative, comprehensive workforce investment systems tailored to meet the particular needs of local and regional labor markets. WIA is not a cookie-cutter approach. It provides for considerable variation in how WIA is implemented at the State and local level. We do not expect the same shoe to fit the different feet. For example, while Americans should expect certain key features at their local One-Stop centers, these centers also will reflect regional and local policies and situations.

In Michigan, they've integrated their system by administering all TANF funding for job readiness, placement, skill development and post-employment support through the local Workforce Investment Boards. The Boards administer this money and the WIA dollars, and services are provided through their One-Stop centers.

In Minnesota, Workforce Investment Boards don't administer the TANF dollars specifically-- the county human services agencies do. But they usually contract with the local One-Stops to provide all

work-related services to their TANF clients. WIA and TANF dollars share the costs of operating One-Stop centers. TANF funds have been an important resource for the workforce centers. And without the WIA delivery system, TANF would have a hard time effectively serving its customers.

Utah has integrated the administration of TANF and WIA programs in one State agency. TANF fully participates in and is co-located in all 46 of Utah's One-Stop centers. TANF is delivering employment and training services through the system and sharing operating costs.

In Vermont, the TANF agency has for a number of years contracted with the Department of Employment and Training to carry out the Reach Up! Program for unemployed parents in Vermont. The Department of Employment and Training is the JTPA/WIA grantee, the WtW grantee, and now the One-Stop Operator. Case managers at the Department work with TANF participants to engage them in meaningful work activities, and provide them with supportive services.

In California, in addition to providing a array of services onsite, including TANF eligibility documentation, substance abuse, domestic violence and mental health services, the Housing Authority of Los Angeles County has forged a strong partnership with employers in Los Angeles County, spearheaded by Bank of America. These employers have come together to identify specific skills that are common to all of their businesses, allowing the WtW grant and other public agencies to tailor participant training to meet the needs of business. In the San Bernadino area, TANF and Welfare-to-Work funds are fully integrated at the One-Stop level.

This week, I had the opportunity to visit the One-Stop Career Center in Dayton, Ohio, an excellent example of a local system that has integrated its TANF and workforce systems - and one of the largest One-Stop centers in the country. In Dayton, TANF clients receive all of their welfare and employment and training services through one system and receive work-related services alongside other job seekers. While Ohio will be merging its State TANF and workforce agencies on July 1 of this year, Montgomery County, Ohio (which includes Dayton) merged its county TANF and workforce service delivery systems several years ago - resulting in a highly integrated system at the local level. The center was created in a refurbished warehouse, and the county commissioners made a strong commitment to the project by putting up a total of \$1 million per year in local funds to help support the start-up and ongoing operations of the center. In addition, each of the 47 co-located agencies has contributed funds to support the operation of the center.

In Texas, State law gave responsibility for TANF employment services to the Texas Workforce Commission. Local sub-recipient responsibility for delivery and oversight of these services is vested with local Workforce Development Boards under a contract with the Commission. Under this contract, TANF employment services, along with WIA title I services, Wagner-Peyser labor exchange services, Food Stamp Employment and Training services, as well as other workforce services must be delivered through Texas Workforce Centers. Key steps in the TANF service delivery process in Texas are: orientation to the menu of services; assessment of client needs; intake and eligibility; case management; client participation in activities leading to employment; supportive services to obtain and retain employment, such as child care and transportation; and entry into employment, followup and transitional services for employment retention. Workforce Center operators are encouraged to develop continuously service delivery strategies that integrate services to all customers. As a full partner in the workforce system, the TANF program shares in the operating costs of the Local Boards and the Workforce Centers.

The Department of Health and Human Services commissioned the Urban Institute to do a study

which identifies different approaches to coordination between the welfare and workforce systems, the advantages of coordination for clients, and the factors that promote and impede coordination. The report which was issued in March of this year and provides a great deal of useful information on the topic we are discussing here this morning. For example, the report found that coordination between the welfare and workforce systems resulted in a variety of advantages for TANF clients, such as referrals to more services and to a wider range of services; greater intensity of services; simplified referrals; the convenience of having several or all agencies in one location; and improved case management. We would be pleased to provide copies of this report to the subcommittees.

### **Federal Level Coordination**

The key to the success of the workforce investment system established by WIA is the coordination of education and training programs at the State and local level. However, those at the State and local levels often point out the need for effective coordination at the Federal level. We are working hard to make this happen.

By enhancing coordination and communication between the agencies that administer these programs at the Federal level, we can provide States and localities with the information, assistance, and guidance they need to build successful systems. With this in mind, Vice President Gore's National Partnership for Reinventing Government has created an Assistant Secretary-level, WIA Federal Partners Group. This group meets on a monthly basis to discuss critical cross-cutting issues related to WIA implementation, and includes representatives from each of the Agencies that administer required One-Stop partner program (the Departments of Labor, Education, Health and Human Services, and Housing and Urban Development) as well as the Office of Management and Budget, and the Departments of Agriculture, Transportation, and Commerce.

The WIA Partners Group has focused on three major areas: Unified Planning, Cost Allocation, and Performance Accountability. Just this week, joint draft guidance on the issue of cost allocation and resource sharing in a One-Stop setting was published in the Federal Register. This product was developed in response to concerns raised by our State and local partners that cost allocation is often a barrier to the effective establishment of One-Stop systems. In the area of performance accountability, the group is discussing data sharing issues that exist between the education and the workforce development system as well as the possibility of system-wide measures that look at the outcomes of the entire One-Stop system.

In February of this year, the WIA Federal Partners group held their monthly meeting at the Naylor Road One-Stop Center here in the District of Columbia. This visit provided the Assistant Secretaries an opportunity to get a first-hand look at a One-Stop in operation. The group felt that this visit was very valuable and helped them to understand the operational issues involved in creating and maintaining an effective and efficient One-Stop system. I would like to extend an invitation to all of the members of these Committees to visit the Naylor Road Center. My staff is available to make the arrangements, and we look forward to showcasing a good local model of the concept we are discussing here today.

In addition, the Department of Labor has undertaken a number of specific steps to foster coordination. For example, to strengthen the process of referring people from TANF to WtW, the Department of Labor in partnership with HHS Administration for Children and Families held a series of regional conferences convening TANF, WtW - workforce development program operators from the Federal, State and local levels to discuss the problem and identify solutions. Based upon the reports from each

conference, the Department of Labor and HHS produced joint guidance on this issue which was released to both the both systems simultaneously and posted on our website.

Substance abuse is a key barrier for many welfare recipients, and many participants need treatment in order for them to be placed into and maintain employment. To strengthen our program operator capacity in serving such participants, the Department of Labor completed a memorandum of understanding with the HHS Center for Substance Abuse Treatment. Thus far, CSAT has held training and will provide on-site technical assistance to 10 WtW program operators for the following cities: Boston, New York, New Orleans, Los Angeles, Minneapolis, Houston, Detroit, Seattle, Chicago, and Philadelphia. CSAT and the Department of Labor will also provide three Regional conferences on the subject during the summer and fall of 2000.

To help our WtW grantees and One-Stop systems increase the numbers of and quality of service to individuals with disabilities, the Department launched a cooperative venture with the Department of Education, the President's Task Force on Individuals with Disabilities and HHS/ACF to produce a technical assistance guide entitled "Employment Success for Persons with Disabilities Under Welfare Reform." The guide is the result of convening disability experts nationwide for three days of problem-solving and advice. The Guide has been completed and is in Departmental clearance. It will be issued in July 2000.

### Conclusion

Chairmen McKeon and Johnson, your letter of invitation asks for advice about actions you can take that would help States and localities use their One-Stops to help people enter the labor force, stay in the labor force, re-enter the labor force, or prepare for better jobs and advancement in the labor force. In addition to our proposals for extending the expenditure period for the Welfare-to-Work program and establishing the Fathers Work/Families Win initiative, I have one other suggestion. It is to do what you can to provide WIA with sufficient resources so that it can do its job. We need to continue to build the infrastructure for this essential program and it is particularly important the WIA be fully funded at the President's request level during its initial years. We greatly appreciate Chairman Johnson's and Chairman Goodling's statements of support for WIA and One-Stop funding. I could not agree more with Chairman Goodling's statement before the House Appropriations Subcommittee that "funding these workforce development initiatives that have strong accountability measures is a worthwhile investment."

In addition, we must continue to look for opportunities, both administrative and legislative, to promote strong partnerships between the TANF and WIA systems that recognize WIA's importance in serving welfare recipients. Within the Administration, we have devoted significant resources and high-level attention to this issue. At the State level, even though TANF is an optional partner, a number of States have elected to include the TANF agency as a partner in their One-Stop system. However, since WIA and TANF are both still evolving, we will continue to look at ways to enhance coordination between the two programs.

In conclusion, I wish to emphasize again that we do not view July 1, 2000 as an end point for WIA implementation. This system is evolving towards even greater degrees of cooperation and partnership. The challenge is for the Federal, State and local partners to continue to work together to flesh out or fully develop WIA elements so that WIA can fulfill its promise and potential to respond to American workers and job seekers and U.S. firms. We are greatly encouraged by the participation in the WIA system of TANF and other Federal programs that help low-income individuals and

families achieve their full potential. But we can do even better. We must exercise creativity in encouraging more programs and organizations to become fully partners in the One-Stop system. And we must continually seek ways to increase the number of quality programs so that individuals can have better choices among training providers and U.S. firms can hire the best prepared workers.

